

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF WEST VIRGINIA**

In Re: Alderson Broaddus University, Inc.  
Alderson Broaddus Endowment

Bk. No.: 23-00427  
Bk: No.: 23-00534

Corporation  
Debtor.

**TRUSTEE'S OBJECTION TO PROOF OF CLAIM  
NO. 82 OF THE INTERNAL REVENUE SERVICE  
AND REQUEST FOR RELATED RELIEF**

The Trustee, Thomas H. Fluharty, objects to Claim No. 82 of the Internal Revenue Service and in support thereof states as follows:

1. The debtor filed its voluntary chapter 7 bankruptcy petition on August 31, 2023. The Trustee designated the case as an asset case and on November 9, 2023 the Internal Revenue Service filed proof of claim number 82. There have been no amendments to the claim.

2. The attachment to the proof of claim reflects a liability for 941 tax payments for the tax period of September 30, 2022 and December 31, 2022 and various excise tax liabilities.

3. The Trustee received the attached statement (Exhibit-1) dated February 10, 2025, indicating a balance of \$376,733.11 for the 3<sup>rd</sup> quarter of 2023. The proof of claim does not reflect this liability.

4. In 2023, the Trustee received the attached "Notice of Appointment," (Exhibit-2) directing the debtor appear at a meeting with the IRS. The notice indicates there to be a December 31, 2020 990 tax liability of \$491,619.46. The Trustee attended the meeting but it had been cancelled due to the bankruptcy filing. This tax liability does not appear on the proof of claim.

5. The Trustee employed an accountant to complete unfiled 941 reports. The accountant prepared unfiled 941's for the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2022 and 3<sup>rd</sup> quarter of 2023. For the third quarter of 2022, the total liability was \$510,974.28, but deposits of \$511,327.05 had been made. For the 4<sup>th</sup> quarter of 2022, the 941 report reflects deposits of \$411,304.52 and a total liability of \$411,498.40, resulting in a nominal liability.

6. For the final quarter of operations, the total liability was \$295,889.02 but deposits of \$58,515.19 were made, resulting in a balance due of \$237,373.83. This balance is not reflected in the statement of the IRS attached.

7. The Trustee is in the final steps of estate administration and needs the IRS to amend

their proof of claim to accurately reflect the estate liability. If the Trustee distributes funds based on the proof of claim, as filed, it is possible the IRS could refund some portion thereby delaying the estate conclusion.

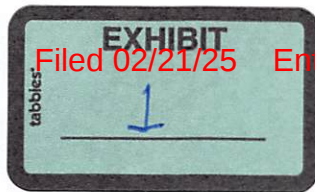
**WHEREFORE**, the Trustee requests the Court, absent a response from the creditor, IRS, to find the tax due for the September 30, 2022 tax period for “WT-FICA” to be \$0.00, and the tax due for the December 31, 2022 tax period for “WT-FICA” to be \$193.88, and the balance due for the September 30, 2023 tax period for WT-FICA to be \$237,373.83, and such other and further relief as the Court deems just and proper.

Submitted by:

/s/ Thomas H. Fluharty  
Thomas H. Fluharty, Trustee  
WV Bar No.: 1231  
408 Lee Avenue  
Clarksburg, WV 26301  
(304) 624-7832



Department of the Treasury  
Internal Revenue Service  
Ogden, UT 84201-0039



Notice	CP220
Tax period	September 30, 2023
Notice date	February 10, 2025
Employer ID number	55-0357072
To contact us	Phone 800-829-0115

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ALDERSON BROADDUS UNIVERSITY INC  
% ALDERSONBROADDUS COLLEGE INC  
408 LEE AVE  
CLARKSBURG WV 26301-3638

019054

Changes to your September 30, 2023 Form 941

**Amount due: \$376,733.11**

We made changes to your September 30, 2023  
Form 941.

As a result, your amount due is \$376,733.11.

**Billing Summary**

Amount due on account before adjustment	\$361,145.90
Penalty increase - Failure to make a proper federal tax deposit	11,868.69
Penalty increase - Failure-to-pay	1,186.87
Interest charges	2,531.65
<b>Amount due by February 25, 2025</b>	<b>\$376,733.11</b>

Continued on back...



ALDERSON BROADDUS UNIVERSITY INC  
% ALDERSONBROADDUS COLLEGE INC  
408 LEE AVE  
CLARKSBURG WV 26301-3638

Notice	CP220
Notice date	February 10, 2025
Employer ID number	55-0357072

**Payment**

- Make your check or money order payable to the United States Treasury.
- Write your Employer ID number (55-0357072), the tax period (September 30, 2023), and the form number (941) on your payment and any correspondence.

INTERNAL REVENUE SERVICE  
OGDEN, UT 84201-0039

**Amount due by**  
**February 25, 2025**

**\$376,733.11**

Notice	CP220
Tax period	September 30, 2023
Notice date	February 10, 2025
Employer ID number	55-0357072
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**What you need to do immediately**

Review this notice, and compare our changes to the information on your tax return.

**If you agree with the changes we made**

- Pay the amount due of \$376,733.11 by February 25, 2025 to avoid additional penalty and interest charges.
- If you're enrolled in the Electronic Federal Tax Payment System (EFTPS), you may use that method of payment instead of paying by check or money order.
- If you can't pay the amount due, pay as much as you can now and call us at 800-829-0115 to discuss your options for paying the remaining balance.

**If you don't agree with the changes**

- Call 800-829-0115 to review your account.
- If we don't hear from you, we'll assume you agree with the information in this notice.
- If you've already paid your balance in full within the past 14 days or made payment arrangements, please disregard this notice.

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**If we don't hear from you**

The failure to deposit penalty has been increased to 15%.

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**Department of the Treasury**  
**Internal Revenue Service**  
**Small Business / Self-Employed Division**  
 16 Sterling Drive, Suite 201  
 Bridgeport, WV 26330



Date:  
 12/13/2023  
 Person to contact:  
 Name: Daniel O. Harbaugh  
 Employee ID number: 1000746160  
 Telephone: 681-456-6127  
 Fax: 888-636-2719  
 Taxpayer ID number:  
 XX-XXX7072

Alderson Broaddus University Inc  
 101 College Hill Drive  
 Philippi, WV 26416

Dear Alderson Broaddus University:

### **NOTICE OF APPOINTMENT**

#### **We Assigned your Tax Matter to a Field Revenue Officer for Investigation**

#### **Why you're receiving this letter**

We need to discuss your unfiled tax returns or an amount you may owe. I've scheduled the following meeting:

**Date:** 01/23/2024

**Time:** 10:00 AM (Allow two to three hours for your appointment)

**Place:** 16 Sterling Drive, Suite 201 Brideport, WV 26330

Contact me at the number shown above to confirm your appointment within 10 days from the date of this letter. If you do not confirm your appointment, it will not be canceled and I may need to contact third parties.

#### **Someone May Represent You**

You may have someone represent you during any part of this investigation. If you want someone to represent you, please provide a completed Form 2848, Power of Attorney and Declaration of Representative, at our first appointment.

If you prefer, you may mail or fax the form to me prior to our first appointment. You can get this form from our office, by visiting **IRS.gov**, or calling 800-TAX-FORM (800-829-3676). If you decide to get representation after the interview has started, in most cases, we will reschedule our interview until you can secure representation.

If you fax your information, use either a fax machine or an online fax service. Protect yourself when sending digital data by understanding the fax service's privacy and security policies.

#### **We'll be discussing your filing and payments for the following tax periods**

Form number	Tax period	Delinquent return indicator	Amount you owe
990	12-31-2020		\$491,619.46
720	6-30-2022		\$19,878.58



**Interest - Internal Revenue Code Section 6601**

We charge interest when your tax is not paid on time. Interest is computed from the due date of your return (regardless of extensions) until paid in full or to the date of this notice.

Interest is also charged on penalties assessed on your account. Interest compounds daily except on underpaid estimated taxes for individuals or corporations.

**Paying Late - Internal Revenue Code Section 6651(a)(2)**

We charge a penalty when your tax is not paid on time. Initially, the penalty is ½ % of the unpaid tax for each month or part of a month the tax was not paid.

If you have questions about your account or would like a detailed explanation of the penalty and interest charges on your account, please review Notice 746, Information About Your Notice, Penalty and Interest; available at **IRS.gov**. If you have additional questions or concerns, they can be addressed during your meeting.

**What to expect at your appointment**

Generally, the appointment is scheduled to last approximately two hours. During the interview, the information provided will be reviewed. It's important that you bring all the items requested. The goal is to come to a compliance resolution at this meeting.

**What will happen if you don't respond**

If you don't respond to this letter, keep your appointment, or provide all the information requested, the law allows enforcement action to be taken to collect balances and secure delinquent returns based on the information available. Therefore, it's to your advantage to keep your appointment and provide the requested documents if you're unable to file the appropriate tax returns and fully pay the tax liabilities prior to the appointment.

All items need to be received during our scheduled meeting. Your federal tax and estimated tax deposit requirements will be monitored until a case resolution is reached. Timely receipt of the requested documents or information will help reach a case resolution.

**What to do next**

Contact me at the number shown above to discuss the upcoming appointment. The purpose of this contact isn't to discuss resolution but to confirm the appointment and to answer any questions you're uncertain about. Failure to contact me doesn't cancel the appointment or negate the requirement to provide the information listed in this letter.

The following publications will be discussed at your appointment:

- Publication 1, Your Rights as a Taxpayer
- Publication 594, The IRS Collection Process
- Publication 1660, Collection Appeal Rights

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing **TRUSTEE'S OBJECTION TO PROOF OF CLAIM NO. 82 OF THE INTERNAL REVENUE SERVICE AND REQUEST FOR RELATED RELIEF** was served upon the individuals listed below, by placing a true and correct copy thereof in the United States mail, postage prepaid, to the addresses listed below, this 21<sup>st</sup> day of February, 2025.

Internal Revenue Service  
Post Office Box 7346  
Philadelphia, PA 19101-7346

served electronically on:

Sarah Ellis, Esquire  
[sarah.ellis@steptoe-johnson.com](mailto:sarah.ellis@steptoe-johnson.com)  
*Counsel for Debtor*

U.S. Trustee Office  
[ustpreion04.ct.ecf@usdoj.gov](mailto:ustpreion04.ct.ecf@usdoj.gov)

/s/ Thomas H. Fluharty  
Thomas H. Fluharty, Trustee